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Governor

Alabama Medicaid Agency

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MIKE LEWIS
Acting Commissioner

April 1, 2003

Provider Notice 03-04

TO: Medicaid Physicians, Pharmacies, FQHC's, RHC's and Nursing Homes

RE: Correct physician license number for pharmacy claims

The purpose of this provider notice is to clarify policy for submitting pharmacy claims with the correct physician license number. The Alabama Medicaid Administrative Code Section 560-X-16-.01 (8) states that pharmacies shall use the correct physician license number when submitting a pharmacy claim to Medicaid. The "correct" physician license number is the prescribing physician license number.

Medicaid reports utilization data to CMS and other government and outside entities. It is crucial for the utilization data to include the actual physician who has written the prescription. Medicaid considers billing with a license number different from the prescribing physician to be fraud. The Administrative Code Section 560-X-4-.04. (2) and Code of Alabama (1975) Section 22-1-11 makes it a felony offense to falsify a claim or application for payment of Medicaid benefits or offer, pay, solicit or receive kickbacks, bribes, or rebates for services. Convictions for any of these felonious actions could result in a fine of \$10,000 or imprisonment for one to five years for each violation.

As a reminder, the Medicaid fiscal agent, EDS, sends physician license updates twice a year, usually in the spring and fall. Additional copies may be requested by calling your EDS provider representative at 1-800-688-7989.

The Medicaid Pharmacy Audit Unit will be conducting reviews. If it is determined that the incorrect license number has been entered on a pharmacy claim paid by Medicaid, recoupments will be initiated.

Policy questions concerning this provider notice should be directed to Louise Jones, Associate Director, Program Management Unit at (334) 242-5050.

Mike Lewis
Acting Commissioner

Distribution

Alabama Independent Drugstore Association	Alabama Pharmacy Coop	State of Alabama Medical Association
Alabama Pharmacy Association	Alabama Retail Association	Medical Association of the State of Alabama
Alabama Primary Healthcare Association	Alabama Nursing Home Association	Alabama Optometric Association

Our Mission - to provide an efficient and effective system of financing health care for our beneficiaries.